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[Despatch Abstract.]

Provincial funds for 1897-98

Passing orders on the final accounts & the appropriation reports for ——— received from the A.G. and the P.W.D. Copies to the Govt, Finance & Commerce Dept

BACK PAPERS.

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711/99

Government {1899} of Madras.

FINANCIAL.

Recd. } 1899. *Enclosures*

Regd. } *Spare copies*

G.O., &c., Nos. 222, 223, 11th February 1899.

FEBRUARY.

Provincial Funds.

Passing orders on the final accounts and the appropriation reports of — for 1897–98. Copy to the Government of India.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Read—again the following papers:—

G.O., Nos. 670, 671, Financial, dated 5th August 1898.

Abstract.—Reviewing the Preliminary Accounts of Provincial Revenues and Expenditure in 1897–98. Copy to the Government of India.

G.O., Nos. 1078, 1079, Financial, dated 19th November 1898.

Abstract.—Passing orders on the Accountant-General's report on the expenditure incurred in excess of budget grants in 1897–98. Copy to the Government of India.

G.O., No. 41, Financial, dated 5th January 1899.

Abstract.—Recording statement showing the distribution under Imperial, Provincial, and Local of the revenue and expenditure of the Government of Madras for 1897–98.

Read—also the following papers:—

From the Accountant-General, dated 30th November 1898.

From T. HESKETH BIGGS, Esq., Accountant-General, to the Chief Secretary to Government, dated Fort. St. George, 17th December 1898, No. I.B.E.—343.

With reference to G.O., No. 71, Financial, dated the 31st January 1896, I have the honour to forward the final account of Provincial revenue and expenditure for 1897–98 printed as directed therein.

2. The following adjustments were made in the Provincial accounts after the despatch of my Provincial appropriation report:—

(i) Rupees 1,000 to the credit of "I. Land Revenue" on account of the amount expended on the education of the two Forest-officers transferred to Burma.

(ii) Rupees 5,000 to the debit of "III. Salt" on account of erroneous credit since transferred to "Departmental Balances."

(iii) Rupees 7,000 deducted from the contribution from Local, the amount having been debited to "33. Famine Relief—Local."

(iv) The famine-relief charges were raised to Rs. 15,97,000, the Provincial balance being thereby reduced to Rs. 7,18,000.

From the Public Works Department, dated 4th January 1899, No. 69-C.

Order—No. 222, Financial, dated 11th February 1899.

The final accounts and the appropriation reports of Provincial funds for 1897–98, as received from the Accountant-General and the Public Works Department, are printed as appendices to these proceedings.

2. In his appropriation report the Accountant-General has undertaken a comparison between the actuals of 1897–98 and the amounts of revenue and expenditure assigned to the Madras Presidency in the Provincial Contract of 1897. He calculates that the total Provincial revenues in 1897–98, taking Contributions between Provincial and Local net, amounted to 316·31 lakhs, or 5·70 lakhs better than the contract figures, whilst the charges, exclusive of the portion of famine charges debitable to Provincial and outlay on construction of railways, were only 5·13 lakhs (or 5·11 lakhs based on later figures) higher than the contract figures. He is of opinion that this comparison is not on the whole materially affected by the occurrence of famine, as the Provincial share of Land Revenue was on that account, taken at a fixed amount, and any extra charges under ordinary service heads have been, to some extent, compensated by savings due to exchange compensation allowance. The Government is unable to accept either the Accountant-General's conclusion or his method of arriving at the same. In the first place, it is to be observed that his conclusion is considerably vitiated by the facts and figures in that portion of his appropriation report which relates to this comparison: as for example, the large increases on the receipts side of 3·40 lakhs under Stamps and of 1·65 lakhs under Registration and the decrease of ·65 lakh under Excise which are stated to have been caused by the prevalence of distress (paragraph 7 of the appropriation report); and on the expenditure side, the increases of 6·21 lakhs under Land Revenue (paragraph 15 *ibid*), of ·36 lakh under Interest (paragraph 16 *ibid*), of 1·07 lakhs under Jails (paragraph 17 *ibid*), and short outlay under Irrigation and Buildings and Roads (paragraph 20 *ibid*), attributed to the same cause. There are indeed few items of expenditure which were not in a measure affected. It has further to be remembered that the existence of famine necessitated the imposition of a general restriction upon expenditure and the postponement of very necessary schemes of reorganization, such as the Railway Police scheme (paragraph 60 of the appropriation report). The procedure adopted by the Accountant-General, under which the savings under exchange compensation allowance are set off against increased expenditure and items for which no allowance was made in the contract are excluded, is moreover, opposed to the principles upon which Provincial contracts are settled. It is not from savings in *expenditure*, but from increased *revenues*, that Local Governments are expected to meet expenditure in excess of the figures fixed for each major head at the settlement, and it is obvious, that whether included in the contract or not, every item of Provincial expenditure must affect the financial position of a Local Government. If savings under expenditure are to be so treated, abnormal receipts—*e.g.*, ·18 under Law and Justice—Courts of Law, representing the sale-proceeds of unclaimed property seized from a swindler (paragraphs 9 and 33 of the appropriation report)—and abnormal charges—*e.g.*, the large refunds on account of Land Revenue erroneously credited in 1896–97 in the districts of Kistna, Malabar, Gódávari and Chingleput (paragraph 44 *ibid*) and the expenditure on plague preventive measures (paragraph 63 *ibid*)—should also be taken into account. It is clear that no useful purpose can be served by the comparison undertaken by the Accountant-General, since the transactions of the year 1897–98 were abnormal and were materially affected, on both sides of the account, by the distress which prevailed. Such a comparison could only be of any value if the disturbing factors could be eliminated, but these entered into almost every head of revenue and of expenditure and in a degree which it is impossible to gauge.

3. Appendix C explains the variations between the preliminary and the final accounts, the principal of which are the following:—

+ ·25 lakh under XVI-B. Law and Justice—Jails on account of jail supplies to the Military Department;

+ ·77 lakh under 30. Stationery and Printing on account of stationery supplied to departments;

+ 2·51 lakhs under 33. Famine Relief due to the unrecovered balance of the contribution of 5 lakhs directed by the Government of India in its letter, No. 3055-A, dated 12th July 1898, to be recovered from Local Funds;

— ·24 lakh under 43. Minor Works and Navigation } In charge of Public
— ·18 „ „ 45. Civil Works } Works Department,

owing to revised figures subsequently furnished by the Examiner;

— 2·82 lakhs in the closing balance, representing the amount remaining to be recovered from local boards out of the contribution of 5 lakhs referred to above.

(True Extract.)

G. STOKES,
Chief Secretary.

To the Departments of the Secretariat.
„ Accountant-General.
Editors' Table.

Endorsement—No. 223, Financial, dated 11th February 1899.

Copy to the Government of India, Finance and Commerce Department.

G. STOKES,
Chief Secretary.

FINAL ACCOUNT

OF

PROVINCIAL SERVICES

FOR

1897-98.

APPENDIX A.

RECEIPTS. **Final Account of the Provincial Revenue and Expenditure of the Government of Madras for 1897-98.** DISBURSEMENTS.

(In thousands of rupees.)

Provincial Services.	1896-97.	1897-98.				1896-97.	1897-98.			
	Actuals.	Actuals.	Budget Estimate.	Revised Estimate.		Actuals.	Actuals.	Budget Grant.	Alterations as per preliminary account.	Altered Grant.	Revised Estimate.
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
To Sundry Revenue Heads as detailed—					By Sundry Charge Heads as detailed—						
I. Land Revenue { Proper	1,25,41	1,50,92	1,50,92	1,50,92	1. Refunds and Drawbacks	1,43	1,32	1,18	+ 13	1,31	1,31
I. Land Revenue { Adjustment	32,94	— 63	— 1,10	— 1,10	3. Land Revenue	52,41	54,61	51,35	+ 2,97	54,32	54,32
III. Salt	1,34	77	1,27	1,00	5. Salt	6,06	3,94	5,45	— 1,52	3,93	3,94
IV. Stamps	59,55	63,15	59,85	62,63	6. Stamps	2,42	2,57	2,61	— 10	2,51	2,44
V. Excise	37,24	36,55	38,25	36,75	7. Excise	1,77	2,48	1,57	+ 85	2,42	2,43
VII. Customs	68	70	73	72	9. Customs	2,33	2,35	2,45	— 12	2,33	2,33
VIII. Assessed Taxes	12,30	12,37	12,00	12,25	10. Assessed Taxes	13	14	13	+ 1	14	13
IX. Forest	11,52	10,68	11,87	11,25	11. Forest	7,67	7,87	8,62	— 50	8,12	8,00
X. Registration	6,06	7,65	6,20	7,50	12. Registration	4,06	4,15	4,30	— 6	4,24	4,12
XII. Interest	1,59	1,73	1,80	1,97	13. Interest on Ordinary Debt	1,70	1,86	1,53	...	1,53	1,87
XIII. Post office	...	...	...	...	15. Post office	1,01	1,08	1,07	...	1,07	1,07
XVI-A. Law and Justice—Courts of Law	6,96	8,04	7,00	7,90	18. General Administration	9,92	10,07	10,11	+ 28	10,39	10,17
XVI-B. Law and Justice—Jails	4,28	4,50	4,81	3,70	19-A. Law and Justice—Courts of Law	45,94	46,25	46,67	+ 7	46,74	45,95
XVII. Police	4,50	4,38	4,41	4,35	19-B. Law and Justice—Jails	10,65	11,58	11,17	+ 71	11,88	11,20
XVIII. Marine	...	...	...	...	20. Police	46,48	46,62	46,24	+ 46	46,70	46,47
XIX. Education	1,98	1,79	2,03	1,90	21. Marine	1,18	8	8	...	8	8
XX. Medical	1,25	1,28	1,31	1,23	22. Education	16,75	17,47	17,52	— 27	17,25	16,90
XXI. Scientific and other Minor Departments	2,72	2,28	2,35	2,27	24. Medical	13,34	13,05	12,91	+ 18	13,09	12,95
XXII. Superannuations	45	53	55	52	25. Political	83	85	82	+ 9	91	85
XXIII. Stationery and Printing	1,30	1,13	1,41	1,07	26. Scientific and other Minor Departments.	4,19	4,28	4,30	+ 18	4,48	4,17
XXV. Miscellaneous	1,60	2,03	1,88	1,85	29. Superannuations	15,65	15,90	16,32	...	16,32	15,98
XXX. Minor Works and Navigation	11	9	12	8	30. Stationery and Printing	9,35	10,37	9,32	+ 44	9,76	9,36
XXXII. Civil Works	3	4	9	4	32. Miscellaneous	1,44	1,72	1,76	+ 4	1,80	1,64
Total, Ordinary Receipts as per Civil Books	3,13,81	3,09,98	3,07,75	3,08,80	33. Famine Relief	1,39	15,97	2,70	...	2,70	16,62
					43. Minor Works and Navigation	4,07	3,67	4,50	— 1,15	3,35	3,22
To Public Works Receipts—					45. Civil Works { Agency, &c.	1,14	81	1,01	— 51	50	82
XXVI. State Railways—Gross Traffic Receipts	2,57	2,58	2,70	2,50	45. Civil Works { Municipal	5,79	2,20	3,00	+ 20	3,20	2,05
XXX. Minor Works and Navigation	1,75	1,74	1,65	1,72	45. Civil Works { Mount Capper Jails	1,04	43	1,08	— 68	40	40
XXXII. Civil Works	1,93	1,88	1,67	1,90	Total, Ordinary Charges as per Civil Books	2,70,14	2,83,69	2,69,77	+ 1,70	2,71,47	2,80,79
Total	6,25	6,20	6,02	6,12							
					By Public Works Charges—						
To Receipts under Adjusting Heads—					33. Famine Relief	3,31	...	10,41	...	10,41	...
					37. Construction of Railways	19	28	34	...	34	28
From Local Funds (Act V of 1884)—					38. State Railway (Working Expenses)	1,52	1,50	1,70	...	1,70	1,50
Education	...	...	...	...	41. Miscellaneous Railways	...	...	...	...	...	...
Medical College	21	26	27	25	43. Minor Works and Navigation	38,32	28,71	28,95	— 25	28,70	28,71
Inspecting Sanitary Agency	24	24	27	25	45. Civil Works	24,24	17,79	18,41	— 1,35	17,06	16,70
Cutlers' Establishment in the Medical Storekeeper's office	...	...	...	...	Total	67,58	48,28	59,81	— 1,60	58,21	47,19
Medical Reserve Staff	4	5	3	4							
Public Works	12	10	31	21	By Disbursements under Adjusting Heads—						
Half the cost of the Máyavaram-Muttupet Railway	36	28	34	34	To Local Funds (Act V of 1884)—						
Stationery supplied from Central Stores	17	22	9	17	Education	99	93	1,03	...	1,03	1,00
Printing work executed by Government Presses	12	10	12	13	Miscellaneous	82	40	37	— 2	35	36
Controlling Establishment at the Presidency	71	92	87	87	Public Works	1,59	1,06	1,25	— 10	1,15	1,03
Repayment of Contribution made to wipe off deficits in previous years	...	...	...	...	Half the net traffic receipts of the Máyavaram-Muttupet Railway	50	56	46	...	46	53
					To cover Deficits	1,21	...	...	...	...	...
From Local and Special Funds—					Total	5,11	2,95	3,11	— 12	2,99	2,92
Local Fund Audit Clerks	74	80	77	77							
Total	2,71	2,97	3,07	3,03	Grand Total	3,42,83	3,34,92	3,32,69	— 2	3,32,67	3,30,90
Grand Total	3,22,77	3,19,15	3,16,84	3,17,95	Add closing balance of the year	22,95	7,18	10,00	+ 2	10,02	10,00
Add opening balance of the year	43,01	22,95	25,85	22,95	Total	3,65,78	3,42,10	3,42,69	...	3,42,69	3,40,90
Total	3,65,78	3,42,10	3,42,69	3,40,90							

APPENDIX B.

Adjustment of Provincial proportion of Land Revenue—1897-98.

(In thousands of rupees.)

		Details.	
Provincial proportion	...	Subsequent recurring transfers—	
Total Land Revenue—Imperial and Provincial	5,38,42	Provincial to Imperial—	
Above divided proportionally—		Amount placed at the disposal of the Military Department for the construction of a new Detention hospital (Government of India, Military letter No. 1109-D., dated 2nd March 1895)...	63
Imperial	3,87,50		
Provincial	1,50,92	Miscellaneous Adjustments—	
Contract transfers	...	Imperial to Provincial—	
Subsequent recurring transfers	+ 63	Part of the amount expended on the education of two Forest officers transferred from Madras to Burma (Government of India, Financial Department, No. 3630-A., dated 17th August 1897)	1
Miscellaneous adjustments	...		
Total, transfers ...	+ 63	Provincial to Imperial—	
Corrected distribution—		Amount recovered from Local Funds on account of contribution for the ferry flats required in the Gódávari delta (Government of India, Financial Department, No. 2906-A, dated 3rd July 1897)	1
Imperial	3,88,13		
Provincial	1,50,29	Net miscellaneous adujstments ...	...
Land Revenue not included in the division—			
Local	22,87		
Total, Land Revenue—			
Imperial	3,88,13		
Provincial	1,50,29		
Local	22,87		
Total ...	5,61,29		

APPENDIX C.

Provincial Account for 1897-98.

(In thousands of rupees.)

Heads of Revenue.	Preliminary figures as per statement No. B.F.W.-2, dated 15th July 1898.	Final figures as per account for 1897-98.	Difference.	Heads of expenditure.	Preliminary figures as per statement No. B.F.W.-2, dated 15th July 1898.	Final figures as per account for 1897-98.	Differences.
Ordinary Receipts.	RS.	RS.	RS.	*Ordinary Charges.*	RS.	RS.	RS.
I. Land Revenue. Proper.	1,50,92	1,50,92	...	1. Refunds and drawbacks.	1,32	1,32	...
I. Land Revenue. Adjustment.	− 64	−63	+ 1	3. Land Revenue	54,63	54,61	−2
	82	77	− 5	5. Salt	3,95	3,94	−1
III. Salt	63,15	63,15	...	6. Stamps	2,57	2,57	...
IV. Stamps	36,55	36,55	...	7. Excise	2,49	2,48	−1
V. Excise	70	70	...	9. Customs	2,35	2,35	...
VII. Customs	12,37	12,37	...	10. Assessed Taxes	14	14	...
VIII. Assessed Taxes	10,68	10,68	...	11. Forest	7,86	7,87	+1
IX. Forest	7,65	7,65	...	12. Registration	4,15	4,15	...
X. Registration	1,73	1,73	...	13. Interest on ordinary debt.	1,86	1,86	...
XII. Interest	...	...	...	15. Post office	1,08	1,08	...
XIII. Post office	8,05	8,04	−1	18. General Administration.	10,08	10,07	−1
XVI-A. Law and Justice—Courts of Law ...	4,25	4,50	+ 25	19-A. Law and Justice—Courts of Law ...	46,24	46,25	+1
XVI-B. Law and Justice—Jails...	4,38	4,38	...	19-B. Law and Justice—Jails	11,58	11,58	...
XVII. Police	...	...	...	20. Police	46,60	46,62	+2
XVIII. Marine	1,80	1,79	− 1	21. Marine	8	8	...
XIX. Education	1,28	1,28	...	22. Education	17,44	17,47	+3
XX. Medical	2,28	2,28	...	24. Medical	13,01	13,05	+4
XXI. Scientific and other Minor Departments ...	53	53	...	25. Political	85	85	...
XXII. Superannuations ...	1,12	1,13	+ 1	26. Scientific and other Minor Departments	4,23	4,28	+5
XXIII. Stationery and Printing.	2,03	2,03	...	29. Superannuations ...	15,89	15,90	+1
XXV. Miscellaneous				30. Stationery and Printing.	9,60	10,37	+77
XXX. Minor Works and Navigation	9	9	...	32. Miscellaneous	1,68	1,72	+4
XXXII. Civil Works	4	4	...	33. Famine Relief	13,46	15,97	+ 2,51
Public Works Receipts.				43. Minor Works and Navigation	3,68	3,67	−1
XXVI. State Railways—Gross Traffic Receipts.	2,59	2,58	− 1	45. Civil Works. Agency, &c....	81	81	...
XXX. Minor Works and Navigation	1,74	1,74	...	45. Civil Works. Municipal ...	2,20	2,20	...
XXXII. Civil Works	1,87	1,88	+ 1	45. Civil Works. Mount Capper Jail ...	43	43	...
Adjusting Heads.				*Public Works Charges.*			
From Local Funds (Act V of 1884)—				33. Famine Relief	...	...	...
Education	...	...	...	37. Construction of Railways.	29	28	−1
Medical College	26	26	...	38. State Railways—Working Expenses	1,50	1,50	...
Inspecting Sanitary Agency.	24	24	...	41. Miscellaneous Railways.	...	...	...
Cutlers' establishment in the Medical Storekeeper's office	...	...	...	43. Minor Works and Navigation	28,95	28,71	−24
Medical Reserve Staff ...	5	5	...	45. Civil Works	17,97	17,79	−18
Public Works	10	10	...	*Adjusting Heads.*			
Half the cost of Máyavaram-Muttupet Railway ...	34	28	− 6	To Local Funds (Act V of 1884)—			
Stationery supplied from Central Stores	16	22	+ 6	Education	93	93	...
Printing work executed by Government Presses ...	10	10	...	Miscellaneous	37	40	+3
Controlling establishment at the Presidency	92	92	...	Public Works	1,07	1,06	−1
Repayment of Contribution made to wipe off deficits in previous years	...	...	...	Half the net receipts of Máyavaram-Muttupet Railway	56	56	...
From Local and Special Funds—Local Fund Audit Clerks ...	80	80	...	Famine Relief purposes.	...	...	...
				To cover deficits ...	...	...	...
Total Revenue ...	3,18,95	3,19,15	+ 20	Total Expenditure ...	3,31,90	3,34,92	+3,02
Opening Balance ...	22,95	22,95	...	Closing Balance ...	10,00	7,18	−2,82
Grand Total ...	3,41,90	3,42,10	+ 20	Grand Total ...	3,41,90	3,42,10	+20

III. Salt ... ... − 5 Erroneous credit transferred to "Departmental Balances."
XVI-B. Law and Justice—Jails ... + 25 Account of Jail supplies to the Military Department revised by the Inspector-General of Prisons.

Adjusting Heads—
Half the cost of the Máyavaram-Muttupet Railway ... ... − 6
Stationery supplied from Central Stores ... ... + 6
} Difference between the actuals and the Budget Estimate adopted in the Preliminary Statement.

26. Scientific and other Minor Departments ... ... + 5 Chiefly cost of Europe stores adjusted in the Final accounts,
30. Stationery and Printing ... ... + 77 Account of Stationery supplies to departments revised by the Superintendent of Stationery.
33. Famine Relief ... ... + 251 Full amount of 500 was not transferred to Local.

Public Works Charges—
43. Minor Works and Navigation ... − 24
45. Civil Works ... ... − 18
} Figures revised by the Examiner of Public Works Accounts, Madras.

APPENDIX D.

APPROPRIATION REPORT

ON THE

PROVINCIAL ACCOUNTS OF THE MADRAS PRESIDENCY FOR 1897-98.

GENERAL REVIEW.

1. Throughout this report, the figures are, as usual, in thousands of rupees, that is to say, the last three figures are omitted from all amounts.

2. The year under report is the first year of the Current Quinquennial Provincial Contract.

The following are the principal variations from previous contracts :—

(1) The charges on account of Salt Purchase and Freight were made wholly Imperial and ordered to be booked entirely under 5. Salt instead of in a fixed proportion as between 5. Salt and 7. Excise.

(2) The Marine Department Pensions have been provincialised.

(3) The receipts and charges on account of Orissa salt were transferred to Bengal.

(4) The receipts and charges on account of Pearl and Chank Fisheries and Maintenance of Fishery Vessels were ordered to be classified under XXV and 32. Miscellaneous, and an adjustment of 12 in favour of Imperial was made from the Provincial share of Land Revenue.

3. In the contract, the Government of India fixed the scale of Provincial Expenditure apart from the requirements of Famine at 3,09,11 and made a lump addition of 1,50 to meet any increases of expenditure that might be considered important and urgent, but otherwise left the Government of Madras to meet future increases of expenditure from future development of revenues. The settlement of the standard of Land Revenue, upon which the Provincial share is to be calculated, was deferred for a year, owing to the peculiarities of the season at the time of making the contract, a fixed assignment having been made for 1897-98 to equate the amounts of assigned revenue and assigned expenditure. A table is added at the end comparing the Provincial estimates and accounts under each major head with the amounts of assigned revenue and expenditure; and this comparison is not, on the whole, materially affected by the occurrence of Famine as the Provincial share of Land Revenue has, on that account, been taken at a fixed amount, and any extra charges under ordinary service heads have been, to some extent, compensated by savings due to Exchange Compensation Allowance.

4. No comparison is made with the actuals, 1896-97, as the contract was based upon the estimates of that year.

COMPARISON WITH THE CONTRACT FIGURES.

REVENUE AND RECEIPTS.

5. The following statement shows a net improvement over the contract figures of 5,70 of which 3,96 are under the principal heads :—

—	Contract figures.	Actuals, 1897-98.	Difference + or —.
Principal Heads of Revenue	2,78,24	2,82,20	+ 3,96
Interest	1,48	1,73	+ 25
Receipts by Civil Departments	21,35	22,28	+ 93
Miscellaneous	3,39	3,68	+ 29
Railways	2,71	2,58	— 13
Irrigation	1,86	1,83	— 3
Buildings and Roads	1,58	1,92	+ 34
Contributions (Net)	...	9	+ 9
Total ...	3,10,61	3,16,31	+ 5,70

Principal Heads of Revenue.

6. The improvement of 3,96 is made up as shown below of an increase of 5,85 under 4 heads counterbalanced by a decrease of 1,89 under 4 :—

	Increase.	Decrease.
Land Revenue	...	76
Salt	...	45
Stamps	3,40	...
Excise	...	65
Customs	...	3
Assessed Taxes	37	...
Forest	43	...
Registration	1,65	...
	5,85	1,89
Net Increase ...	3,96	

7. The largest increase is under Stamps and is almost entirely due to the effects of Famine, mortgages and sales having been numerous. The increases under Forest and Assessed Taxes reflect the usual development of revenue. The increase under Registration is nominal, and is due to search fees paid by the Land Revenue Department, in connection with the loans granted during the late Famine. The decrease under *Land Revenue* is consequent on the contributions paid to *Imperial* on account of the construction of a new Detention Hospital (63), and of a ferry flat in the Gódávari Delta (1) and on the changes in classification and provincialisation of the receipts and charges relating to Pearl and Chank Fisheries and Maintenance of Fishery Vessels. The fall of 45. under Salt was caused by less outlay on excise licensee's works, whilst famine is responsible for that under *Excise*.

Interest.

8. The increase is due chiefly to the further loans granted to District Municipalities.

Receipts by Civil Departments.

9. The improvements are chiefly under Courts of Law (64), Jails (24) and Scientific and Other Minor Departments (15). Of the increase under the first head 18 represents the sale-proceeds of unclaimed property seized from a swindler and the rest is under magisterial fines. Receipts from the sale of *Jail Manufactures and Cinchona* have caused the other improvements.

Miscellaneous.

10. The fall under stationery and printing has been more than made up by a rise under Miscellaneous caused by increased receipts under *Unclaimed Deposits, Fishery Receipts and Other Items.*

Railways.

11. The fall of 18 in the earnings of the Máyavaram-Muttupet Railway under *Coaching* traffic has been counterbalanced by a rise of (5) under *Goods*. The former is attributed to the check of free intercourse between Bombay and Madras on account of the bubonic plague, whilst the latter is said to have been caused by the export of rice to Ceylon owing to the failure of supply from Bengal on account of famine.

Buildings and Roads.

12. The contract figure appears to be low. The actuals of 1896–97 were even higher than those of 1897–98.

EXPENDITURE.

13. The following statement shows that the scale of expenditure for Provincial Services was exceeded by 5,13 which, however, has been more than set off by an increase of 5,70 in revenues; the expenditure on famine relief having been almost entirely met from the opening balance of the year.

	Contract figures.	Actuals, 1897-98.	Difference + or −
Direct Demands on the Revenue	73,93	79,42	+ 5,49
Interest	1,50	1,86	+ 36
Post Office	1,02	1,07	+ 5
Salaries and Expenses of Civil Departments ...	1,48,70	1,50,24	+ 1,54
Miscellaneous	26,04	27,98	+ 1,94
Railways	1,68	1,50	— 18
Irrigation	33,45	32,24	— 1,21
Buildings and Roads	23,50	21,43	— 2,07
Contributions	79	.....	— 79
Total ...	3,10,61	3,15,74	+ 5,13

Direct Demands on the Revenue.

14. The excess of 5,49 under this group is detailed below :—

	Increase.	Decrease.
Refunds	10	...
Land Revenue	6,21	...
Salt	...	1,55
Stamps	...	13
Excise	91	...
Customs	...	11
Forest	11	...
Registration	...	5
	7,33	1,84
Net increase ...	5,49	

15. By far the largest increase is under Land Revenue and is due to special charges caused by Famine, a part of which appears as a receipt under Registration as stated above. The variations under Salt and Excise are to a great extent, nominal being due to the change in the distribution of charges between the two heads.

Interest.

16. The charges on this account have been swelled by the grant of large loans made to cultivators during the recent scarcity.

Salaries and Expenses of Civil Departments.

17. The bulk of the increase is under *Jails* (1,07), *Police* (58) and *Education*(68), whilst the charges under *Courts of Law* and *Marine* have fallen by (67) and (32), respectively. The increase in the Dieting charges of prisoners due to Famine accounts for the increase under *Jails*; the grant of Famine batta and the gradual formations of the Railway Police have caused the excess under *Police*. The purchase of new furniture for the Law College and larger payments on account of Grants-in-aid are responsible for the increase under *Education*. The contract figure under *Courts of Law* appears to have been based upon the Budget Estimate of 1896–97, in which the provision was placed at 35 more than the Actuals of 1895–96 (46,70) the highest on record. The fall under *Marine* is nominal, due to the change in classification already referred to.

Miscellaneous.

18. Larger issues of stationery and the grant of fresh pensions are responsible for the excess under this group. The charges of the year under these two heads are the highest ever reached.

State Railways.

19. The working expenses of the Máyavaram-Muttupet Railway have fallen proportionately with the decrease in Traffic earnings.

Irrigation and Buildings and Roads.

20. The smaller outlay under these two heads was due to the general restrictions of expenditure necessitated by the late Famine; and for the same reason the Budget Estimates for these two heads were reduced to the amounts provided for in the new Provincial settlement, the lump assignment of 1.50 having been added to the grant under Civil Works.

COMPARISON WITH THE BUDGET ESTIMATES OF 1897–98.

21. In the Budget forecast, Revenue and Expenditure of Provincial Services were estimated at 3,16,84 and 3,32,69, respectively, thus leaving a deficit of 15,85 to be met out of the Provincial balance. This deficit was caused by the inclusion of 13,11 and 34 on account of Famine relief and construction of Railways, respectively, for which no revenues were assigned in the contract; and but for the inclusion of these two items, the deficit would have been only 2,40. The Provincial revenues were thus charged with so much of the Famine Relief expenditure as could be so charged without reducing the *Provincial balance* on the 31st March 1898 below 10 lakhs. In the *Revised estimate* and the *Accounts*, the amounts thus debited came up to 16,62 and 13,25, respectively; and but for this debit, the *Provincial Services account*, as will be seen from the table appended, would have shown a small surplus of 30 after charging off 27 for construction of Railways. The causes which have contributed to this improvement are sufficiently explained in detail in the body of this report, and therefore a recapitulation of the same here is unnecessary.

RECEIPTS.

SECTION A.—PRINCIPAL HEADS OF REVENUE.

I.—Land Revenue.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
5,00,41	Ordinary Revenue	5,53,56	5,31,63	5,36,00
48	Sale-proceeds of waste lands, &c., and receipts for the improvement of Government Estates	47	3,48	1,72
76	Fisheries and other receipts classified as Miscellaneous Revenue ...	67	47	69
5,01,65	Total ...	5,54,70	5,35,58	5,38,41
1,25,41	Provincial share, one-fourth ...	1,50,92	1,50,92	1,50,92
+ 32,94	Adjustments	—1,10	—1,10	—64

22. The decrease compared with the Budget is due not only to the remissions granted in the year under review owing to the unfavourable season, but also to those granted in 1896-97 having exceeded what was anticipated in the Budget as the latter reduced the outstandings on 1st April 1897. The suspensions sanctioned in 1896-97 were collected in 1897-98 to the extent of 11,84. The Board of Revenue puts down the loss of revenue due to famine in the year under review at 7,50. It attributes the increase, compared with the Revised under ORDINARY REVENUE, to the North-East monsoon having been less unfavourable than was anticipated and to the consequent increase in second-crop assessment and water-rate and decrease in season remissions. The decrease under the second minor head is mainly attributable to a portion of the price of waste lands sold in the Madura district in February and March 1898 having been credited to Revenue Deposits pending confirmation of sales. The receipts in 1896-97 under the last minor head include 16 on account of *Chank Fisheries* since transferred to XXV. MISCELLANEOUS.

23. *Provincial share.* Owing to the peculiarities of the season at the time of making the current provincial settlement, the Government of India postponed the settlement of the standard of Land Revenue for a year and made a fixed assignment of 1,51,04 for 1897-98 to equate the amounts of assigned expenditure and assigned revenue. In the Budget estimate for the year, this amount stands reduced to 1,50,92 owing to an adjustment of 12 for changes in classification and the consequent provincialisation of the receipts and charges connected with Pearl fisheries, Chank fisheries and Maintenance of fishery vessels. This figure was therefore repeated both in the Revised and in the Accounts.

24. The adjustment of 64 in favour of *Imperial* represents the amount placed at the disposal of the Military Department for the construction of a new detention hospital and contingent expenses, and the contribution due to Imperial on account of ferry flats in the Gódávari delta.

III.—Salt.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
1,03	Fees and Cesses	99	76	54
1	Fines and forfeitures	2	1	1
30	Miscellaneous	26	23	27
1,34	Total ...	1,27	1,00	82

25. The decrease was due to smaller outlay on Excise Licensees' works and in the receipts on account of *Saltpetre Licenses.*

RECEIPTS.

SECTION A.—PRINCIPAL HEADS OF REVENUE—continued.

IV.—Stamps.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
51,90	Court-Fee Stamps	51,79	54,45	54,95
26,50	Commercial and other Stamps ...	26,99	28,15	28,25
1,01	Fines and Penalties and Miscellaneous	1,02	90	1,00
79,41	Total ...	79,80	83,50	84,20
59,56	Provincial share, three-fourths ...	59,85	62,63	63,15

26. The Budget Estimate was taken at a figure slightly over the Actuals of 1895-96 and the Revised Estimate of 1896-97. But in consequence of a steady increase in the receipts during the year under review, it was raised in the Revised. The increase over the Revised took place solely in the month of March. The chief causes given for the increase are the increase in the amount of agricultural loans given by Government, the indebtedness of landlords forcing them to mortgage their lands, and the fact that tenants have had to borrow to pay their kists giving bonds for the amounts lent them.

V.—Excise.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
1,44,04	License and Distillery Fees and Duties for the sale of Liquors and Drugs	1,48,00	1,42,38	1,41,47
4,22	Opium	4,46	4,00	4,04
70	Other Receipts	54	62	69
1,48,96	Total ...	1,53,00	1,47,00	1,46,20
37,24	Provincial share, one-fourths ...	38,25	36,75	36,55

27. The Board of Revenue attributes the entire decrease under the first minor head to Famine. By far the largest fall occurred under *Country Spirits* and *Toddy*. The decrease compared with the Revised is due to realizations under *Tree Tax* having fallen below expectation. The Budget Estimates under OPIUM and OTHER RECEIPTS were based chiefly upon the Actuals of 1895-96. The changes in the Revised were made with reference to the then available Actuals.

RECEIPTS.

SECTION A.—PRINCIPAL HEADS OF REVENUE—continued.

VII.—Customs.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
31	Ware-house and Wharf Rents ...	36	41	38
37	Miscellaneous	37	31	32
68	Total ...	73	72	70

28. The Estimates under the first minor head was raised in the Revised with reference to the actuals then available, but the decrease in the accounts was due to the substitution of the ground-rent system for the charge of godown rent on iron stored in the iron yards, and to the credit of the ground rent to the Harbour Trust Board. The decrease under the second minor head is under *Other items*.

SECTION A.—PRINCIPAL HEADS OF REVENUE—continued.

VIII.—Assessed Taxes.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
24,60	Income-Tax	24,00	24,50	24,73
12,30	Provincial share, one-half	12,00	12,25	12,37

29. These receipts show a progressive increase which the Budget did not provide for. The average rate of increase in the tax from year to year has been about 1,33. In the year under review it amounted to 13 only. This was largely due to late assessments as reported by the Board, which also report that a fall of about 10 in Vizagapatam and Bellary is attributable to Famine. Trade throughout the Presidency was affected by Famine except that of the grain merchants, some of whom made large profits.

RECEIPTS.

SECTION A.—PRINCIPAL HEADS OF REVENUE—continued.

IX.—Forest.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
3,98	Timber and other Produce removed by Government Agency	6,04	4,75	4,91
17,68	Timber and other Produce removed by Consumers or Purchasers ...	16,66	16,00	14,90
1,37	Other Receipts	1,03	1,75	1,55
23,03	Total ...	23,73	22,50	21,36
11,52	Provincial share one-half	11,87	11,25	10,68
7,69	Net Receipts	6,48	6,50	5,64

30. The Revenue authorities attribute 1,50 of the decrease of 2,37 compared with the Budget to Famine. Various reasons are assigned for the variations between Estimates and Actuals, which point to the fact that the forecast was too sanguine. The net result of the year shows that, although there was a fall in expenditure, it was less than that in the receipts.

X.—Registration.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
10,09	Fees for registering Documents ...	10,43	10,60	10,95
26	Fees for copies of Registered Documents	27	27	27
1,76	Other Receipts	1,70	4,13	4,09
12,11	Total ...	12,40	15,00	15,31
6,06	Provincial share, one-half	6,20	7,50	7,65

31. While the increase under this head is due partly to an improvement in the receipts of Registration Proper, it is mainly the result of the largely increased collections made on account of searches under the Land Improvement and the Agriculturists' Loans Acts. These two facts were not anticipated in the Budget, which was based chiefly upon the Actuals of 1895–96 with a small margin for progressive increase. The increase over the Revised Estimate under FEES FOR REGISTERING DOCUMENTS occurred principally in the last two months of the year.

RECEIPTS.

SECTION B.—INTEREST.

XII.—Interest.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
40	On loans to Municipal and other Public Corporations	41	54	55
1,17	On Advances to Cultivators and Advances under Special Laws ...	1,37	1,40	1,15
2	On Securities of Provincial Funds.	2	3	3
1,59	Total ...	1,80	1,97	1,73

32. The INTEREST ON LOANS TO MUNICIPAL AND OTHER PUBLIC CORPORATIONS shows a progressive increase owing to the grant of fresh loans year after year. Contrary to expectation INTEREST ON ADVANCES TO CULTIVATORS fell during the latter months of the year. The Budget anticipated the grant of special advances in connection with the famine of 1896–97 and the Revised was based upon the then available Actuals and the anticipation that the proportion of recoveries on this account would, as usual, be greater in the latter months.

SECTION D.—RECEIPTS BY CIVIL DEPARTMENTS.

XVI-A.—Law and Justice—Courts of Law.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
11	Sale-proceeds of Unclaimed and Escheated property	18	30	32
14	Court Fees realized in Cash ...	20	18	21
6,58	General Fees, Fines and Forfeitures.	6,47	7,30	7,40
13	Other Receipts	15	12	11
6,96	Total ...	7,00	7,90	8,04

33. Under the first minor head the Actuals of 1895–96 were repeated for the Budget. The Revised and the Accounts include 18 on account of an unclaimed amount seized from a swindler in the Tinnevelly district. The increase over the estimates under GENERAL FEES, FINES, AND FORFEITURES is in the fees realized by the High Court for printing and in magisterial fines.

RECEIPTS.

SECTION D.—RECEIPTS BY CIVIL DEPARTMENTS—continued.

XVI-B.—Law and Justice—Jails.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
4,05	Sale-proceeds of Jail Manufactures.	4,60	3,47	4,29
23	Other Receipts	21	23	21
4,28	Total ...	4,81	3,70	4,50
93	Net Receipts from Jail Manufactures	1,00	37	1,34

34. The Budget under *Jail Manufactures* which was based mainly upon the Actuals of 1895–96 was reduced in the Revised with reference to a falling off in the Actuals of the first 8 months of the year. This fall was attributed to an outbreak of cholera in three Central Jails. The excess over the Revised is due to an adjustment of 81 in the final accounts of March on account of supplies to the Police, the Military and the Salt Departments of this Presidency during the close of the year, whilst the improvement in the net receipts was due to smaller advances drawn from the Treasuries for manufacturing expenses.

XVII.—Police.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
41	Police supplied to Public Departments, Private Companies and Persons	20	20	16
29	Presidency Police	26	30	28
3,45	Fees, Fines and Forfeitures (chiefly Cattle Pound Fees)	3,61	3,51	3,58
35	Other Receipts	34	34	36
4,50	Total ...	4,41	4,35	4,38

35. The decrease under the first minor head is consequent on the gradual drafting of the Railway Platform Police into the Regular Railway Police where recoveries are taken as deduction from charges. Under PRESIDENCY POLICE the Budget was raised in the Revised to provide for fees for inspection of boilers, but the receipts under other items fell by 2. Under FEES, FINES, AND FORFEITURES, the Budget was reduced in the Revised with reference to the Actuals then available, but contrary to expectation Pound receipts improved in the last 2 months.

RECEIPTS.

SECTION D.—RECEIPTS BY CIVIL DEPARTMENTS—continued.

XIX.—Education.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
1,68	Fees and Fines	1,67	1,60	1,54
2	Contributions	2	2	2
28	Other Receipts	34	28	24
1,98	Total ...	2,03	1,90	1,80

36. The Budget under FEES AND FINES was reduced in the Revised mainly on the expectation that Law College Fees would fall owing to poor attendance. This fall, however, was not so much, but the fall in the fees in Arts Colleges and schools turned out to be more than was anticipated. The decrease under OTHER RECEIPTS is spread over several items in small amounts, but chiefly under *Miscellaneous*.

XX.—Medical.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
13	Medical College and School Fees.	14	14	16
24	Hospital Receipts	25	21	22
15	Lunatic Asylum Receipts ...	18	18	18
70	Contributions	70	67	70
3	Other Receipts	4	3	2
1,25	Total ...	1,31	1,23	1,28

37. Owing to an increase in the rates of recoveries from in-patients in the Presidency Hospitals, the Budget Estimate under HOSPITAL RECEIPTS was fixed at a higher figure than the Actuals of 1895-96, but this expectation was not realized.

RECEIPTS.

SECTION D.—RECEIPTS BY CIVIL DEPARTMENT—continued.

XXI.—Scientific and other Minor Departments.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
3	Botanical and other Public Garden Receipts	4	3	4
1,47	Cinchona Plantations	1,15	1,00	98
9	Labour and Emigration	8	9	8
1,13	Other Receipts	1,08	1,15	1,18
2,72	Total ...	2,35	2,27	2,28
65	Net receipts from Cinchona Plantations	30	3	1

38. The fall compared with the Budget is the result of a decrease of 17 under CINCHONA PLANTATIONS counterbalanced by an increase of 10 under OTHER RECEIPTS. The fall under *Cinchona* was mainly due to the fact that the price of quinine supplied to Government Medical Depots was reduced from Rs. 18 in 1896-97 to Rs. 11 in the year under review. Cinchona receipts in 1896-97 are the highest on record, the improvement having been due not only to the large supplies made to the Medical Departments of Madras, Bombay, and Bengal, but also to an increase in local sales of quinine, febrifuge, cinchona plants, barks, &c. The rest of the fall under net receipts is due to larger outlay on manufacturing charges. OTHER RECEIPTS represent fees received from candidates appearing for Government Examinations. These receipts show a progressive increase. The increase over the previous year is chiefly under *Fees for the Hand-writing Test* and *Lower Secondary Examinations*.

SECTION E.—MISCELLANEOUS—RECEIPTS.

XXII.—Receipts in aid of Superannuation, Retired and Compassionate Allowances.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
45	Contributions for Pensions and Gratuities	55	52	53

39. Contributions of persons employed under District Boards fell below expectations in the Budget.

RECEIPTS.

SECTION E.—MISCELLANEOUS—RECEIPTS—continued.

XXIII.—Stationery and Printing.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
39	Receipts from Sale of Stationery ...	30	33	35
63	Sale of Gazettes and other Publications	81	52	56
28	Other Press Receipts	30	22	22
1,30	Total ...	1,41	1,07	1,13

40. The decrease under SALE OF GAZETTES AND OTHER PUBLICATIONS is due to a continued fall in the sales of Acts and books. The fall under OTHER PRESS RECEIPTS is the result of the smaller quantity of work turned out by the Secretariat Press for private parties.

XXV.—Miscellaneous.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
48	Unclaimed Deposits	52	50	67
25	Miscellaneous Fees, Fines and Forfeitures	25	26	25
7	Fees for Government Audits ...	8	8	7
69	Contributions	74	75	76
...	Fishery Receipts	17	18	17
11	Other Items	12	8	10
1,60	Total ...	1,88	1,85	2,02

41. *Unclaimed Deposits* credited to Government in the year under review exceeded the average upon which the Budget was fixed. *Fishery Receipts* (chank) were transferred to this head from I.—LAND REVENUE with effect from 1st April 1897.

RECEIPTS.

SECTION J.—IRRIGATION—RECEIPTS.

XXX.—Minor Works and Navigation.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
	In charge of Civil Officers—			
11	Receipts on account of Minor Irrigation Works—Provincial ...	12	8	9

42. These receipts represent contributions by ryots, and fines levied under Act I of 1858 and, as such, are subject to fluctuation.

SECTION K.—BUILDINGS AND ROADS.

XXXII.—Civil Works.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
	Public Works in charge of Civil Officers—			
3	Provincial	9	4	4

43. The Budget Estimate did not anticipate the deduction from charges of the contributions from the Maharajah of Jeypore and others for roads in the Agency tracts of the Vizagapatam district as in 1896-97.

EXPENDITURE.

SECTION A.—DIRECT DEMANDS ON THE REVENUE.

1.—Refunds and Drawbacks.

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial Shares.			
31	Land Revenue (one-fourth) ...	18	28	34
75	Stamps (three-fourths)	78	82	78
4	Excise (one-fourth)	1	2	6
11	Assessed Taxes (one-half) ...	13	11	9
21	Forest (one-half)	6	6	4
1	Registration (one-half)	2	2	1
1,43	Total ...	1,18	1,31	1,32
	Excess over Budget Grant			14
	Excess sanctioned by Government			13
	Excess awaiting sanction of Government			1

44. These are fluctuating payments. In the year under review there were large refunds on account of Land Revenue erroneously credited in the previous year in the districts of Kistna, Malabar, Gódávari and Chingleput. The Revised was exceeded chiefly on account of large refunds aggregating in value 35 made in the Kistna district in March last. The excess under *Excise* is spread over several districts.

EXPENDITURE.

SECTION A.—DIRECT DEMANDS ON THE REVENUE—continued.

3.—*Land Revenue.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
39,97	Charges of District Administration.	39,50	42,30	43,17
6,80	Survey and Settlement	6,45	6,53	6,02
5,55	Land Records and Agriculture ...	5,33	5,44	5,37
4	Charges on account of Fishery Collections	...	...	...
6	Inam Commissioner	7	5	5
52,42	Total ...	51,35	54,32	54,61
	Excess over Budget Grant			3,26
	Excess sanctioned by Government			2,97
	Excess awaiting sanction of Government			29
	Extra charge due to Famine			1,36
	Savings under Exchange Compensation Allowance			14

45. It may be here premised that, owing to the lower rates sanctioned during the year under review for Exchange Compensation Allowance, a saving has been effected on that account in this and other heads into which it enters. Under CHARGES OF DISTRICT ADMINISTRATION, the Budget was exceeded by 3,67 and the Revised by 87 due chiefly to the additional indirect expenditure incidental to Famine. Of the excess of 3,67 and 87, respectively, over the Budget and Revised, 2,36 and 68 occurred under *Fees for Searches in Registration Offices*. A special allotment of over 18 lakhs of rupees having been made in the year under review for the grant of loans under the Land Improvement and Agriculturists' Loans Acts in the affected districts, and in Madura for the reclamation of lands under the Periyár Works, searches had to be made much more frequently than usual in the Registration offices in order to ascertain whether the lands offered as security for the loans were free from encumbrances. The remaining portion of the excess took place mainly under *Temporary Establishments, Travelling Allowance of Officers* and *Contingencies* principally *Service Postage* and *Telegrams*. The short expenditure under SURVEY AND SETTLEMENT is to be found in the charges of the SURVEY DEPARTMENT which is undergoing revision from time to time. The Revised Estimate overestimated the charges for Temporary Establishments. The charges on account of "Fishery collections" were transferred to 32. MISCELLANEOUS with effect from 1st April 1897.

EXPENDITURE.

SECTION A.—DIRECT DEMANDS ON THE REVENUE—continued.

5.—*Salt.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
24,85	Salaries, Establishment and Contingencies	25,86	24,58	25,02
5,24	Salt Purchase and Freight ...	...	...	...
30,09		25,86	24,58	25,02
7,06	Deduct amount chargeable to 7. Excise	6,28	9,71	9,92
23,03	Total ...	19,58	14,87	15,10
6,06	Provincial share (one-fourth) ...	5,45	3,94	3,94
	Extra charges due to Famine			2
	Savings under Exchange Compensation Allowance			1

46. The Budget Estimates of the combined department of Salt and Excise are generally too high in anticipation of the expansion of departmental operations which, however, are not carried out to the extent contemplated. Under SALARIES, ESTABLISHMENT AND CONTINGENCIES the Actual results compare as shown below with the estimates :—

	Budget.	Revised.
Salaries	+ 25	+ 3
Establishment	— 55	— 12
Allowances	+ 24	— 6
Rewards	— 31	— 6
Petty Works of Construction	+ 4	+ 34
Excise Licensees' Works	— 52	— 8
Freight for Export and Import of Salt ...	— 3	...
Freight for Fish-curing	— 3	...
Contingencies	+ 7	+ 39
Total ...	— 84	+ 44

47. Save under '*Petty Works of Construction and Contingencies*,' the variations as between the Actuals and the Revised Estimate are inconsiderable in amount. These excesses took place in the closing months of the year.

48. The charges on account of '*Salt Purchase and Freight*' are wholly Imperial in the current contract.

EXPENDITURE.

SECTION A.—DIRECT DEMANDS ON THE REVENUE—continued.

6.—*Stamps.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
24	Superintendence Establishment and Contingencies	24	23	23
57	Charges on the sale of stamps including discount. — Court-Fees Stamps.	58	57	60
1,14	Charges on the sale of stamps including discount. — Other Stamps ...	1,16	1,26	1,20
1,27	Stamps supplied from Central Stores	1,50	1,20	1,40
3,22	Total ...	3,48	3,26	3,43
2,41	Provincial share (three-fourths) ...	2,61	2,44	2,57

49. The Budget under CHARGES ON THE SALE OF STAMPS, which chiefly comprise *Discount* having been based upon the Actuals of 1895–96, proved insufficient owing to larger sales of stamps. The largest variations, however, are under STAMPS SUPPLIED FROM CENTRAL STORES. After the Budget was passed there was a change made in the method of valuing stamps issued to districts, and this method was adopted in the accounts of 1896–97. Formerly the valuation was based upon the contract rates settled by the Secretary of State with the manufacturers, whereas now it is based upon the invoice prices. The Budget was consequently reduced in the Revised. The latter, however, did not provide for larger issues in the latter months consequent on the larger sales credited *per contra*, or for the issue of water-marked paper for the use of Revenue offices. The amount adjusted on this account is 8 .

7.—*Excise.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
	Charges of Collection.			
7,06	Portion of the combined Salt and Excise Establishment chargeable to this head	6,28	9,71	9,92
1	District Executive Establishment ...	...	1	...
7,07	Total ...	6,28	9,72	9,92
1,77	Provincial share (one-fourth) ...	1,57	2,43	2,48

50. There is really no excess over the Budget. The allocation of the charges of the combined department of Salt and Excise as between 5. SALT and 7. EXCISE was taken in the Budget in the proportion of 3 to 1; whereas in the Revised and Accounts, it was taken at 3 to 2 as sanctioned in the Government of India letter, No. 3499-A, dated 9th August 1897. The nominal excess thus caused was covered by a formal re-appropriation sanctioned by the Madras Government. The explanations given under 5. SALT are applicable, *mutatis mutandis*, here also.

EXPENDITURE.

SECTION A.—DIRECT DEMANDS ON THE REVENUE—continued.

9.—*Customs.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Sea Customs.			
1,24	Charges at Madras	1,21	1,24	1,22
92	Charges at out-ports	1,05	91	95
	Land Customs.			
17	Charges at out-ports	19	18	18
2,33	Total ...	2,45	2,33	2,35

51. The saving compared with the Budget is entirely under Sea Customs *Out-ports*, due chiefly to the provision for establishments not having been fully utilized in the currency of the year. The excess over the Revised is spread over several items in small amounts and does not call for special remarks.

10.—*Assessed Taxes.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
26	Collection of Income Tax	27	27	28
13	Provincial share (one-half) ...	13	13	14

52. No remark.

EXPENDITURE.

SECTION A.—DIRECT DEMANDS ON THE REVENUE—continued.

11.—*Forest.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	SHARED.			
	A. Conservancy and Works.			
2,02	Timber and other Produce removed from the Forest by Government Agency	2,28	1,84	1,81
98	Timber and other Produce removed from the Forest by Consumers or Purchasers	98	95	90
4,82	Other Charges	6,06	5,23	4,86
7,52	B. Establishment	7,93	7,98	8,15
15,34	Total ...	17,25	16,00	15,72
7,67	Provincial share (one-half) ...	8,62	8,00	7,86
	Extra charges due to Famine			2
	Savings under Exchange Compensation Allowance			2

53. The Budget Estimate under A. CONSERVANCY AND WORKS is generally too high, and is reduced in the Revised with reference to the then available Actuals. The operations of the department were retarded by Famine during the greater part of the year. The Revised Estimate allowed a small margin for additional expenditure due to improvement in season, which, however, did not occur. The excess provision in the Budget under the first two minor heads followed that made in the Budget in the corresponding heads of receipt. The third minor head OTHER CHARGES comprises mainly charges on account of *Communications and Buildings* and *Demarcation, Extension and Improvement of Forests*. The Budget included too large a provision under the latter, chiefly in connection with the Survey of India parties to be employed in this Presidency. It provided 1,54 for two such parties, but they were amalgamated into one, under which arrangement the cost amounted to 1,00 only. Under B. ESTABLISHMENTS, whilst the Budget provided too much under *Salaries of officers* by 14, the charges for establishment, allowances and contingencies exceeded anticipation by 41 ; the effect of the re-organization of the subordinate establishments not having been fully gauged in the estimates.

EXPENDITURE.

SECTION A.—DIRECT DEMANDS ON THE REVENUE—continued.

12.—*Registration.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
31	Superintendence	40	33	30
7,81	District Charges	8,20	7,92	8,00
8,12	Total ...	8,60	8,25	8,30
4,06	Provincial share (one-half)	4,30	4,12	4,15
Extra charge due to Famine				1

54. The Budget Estimate under SUPERINTENDENCE included 3 for a Personal Assistant to the Inspector-General in connection with the revision of the Registration Manual. But this lapsed as the scheme fell through. The Budget was further reduced in the Revised by 4 on account of savings under *Travelling Allowances and Contingencies*. The decrease below the Revised is due to the provision of 3 for the purchase and repair of iron safes not having been utilized. Under DISTRICT CHARGES the provision for 'establishment,' 'supplies and services' and 'contingencies' proved too much by 14, 6 and 11, respectively; whilst that under 'salaries' and 'commission paid to Registrars and Sub-Registrars' proved too little by 3 and 8, respectively. The saving in the items referred to above is due to establishments and new officers not having been entertained to the extent contemplated in the Budget. The grant of privilege leave and the large improvement in the receipts of the Registration Department in consequence of the Famine, as explained under receipts, are mainly responsible for the increase under 'salaries' and 'commission.'

SECION B.—INTEREST.

13.—*Interest on Ordinary Debt.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
1,70	Interest on Provincial Advances and Loan Account	1,53	1,87	1,86
Excess over Budget Grant				33
Excess awaiting sanction of Government				33

55. The excess is due to the large loans advanced to cultivators under the Land Improvement and the Agriculturists' Loans Acts on account of the scarcity which prevailed in the Deccan and Northern districts.

EXPENDITURE.

SECTION C.—POST OFFICE, TELEGRAPH AND MINT.

15.—*Post Office.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
1,01	District Post Charges	1,07	1,07	1,07

56. The expenditure incurred in the year under review includes 2 on account of Famine Batta. Towards the close of the year some of the self-supporting offices were transferred to Imperial. In 1896-97 establishments were not brought up to the sanctioned scale until the latter part of the year.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS.

18.—*General Administration.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
1,18	Salary of Governor	1,23	1,21	1,21
1,35	Staff and Household of Governor ...	1,37	1,36	1,36
1,34	Executive Council	1,34	1,31	1,30
21	Legislative Council	24	22	17
3,62	Civil Secretariat	3,73	3,64	3,65
2	Tour Expenses	3	2	5
1,76	Board of Revenue, Financial Commissioner and Establishment ...	1,74	1,98	1,90
44	Civil Office of Account and Audit ...	43	43	43
9,92	Total ...	10,11	10,17	10,07
Extra charge due to Famine				25
Savings under Exchange Compensation Allowance				9

57. The grant of exchange compensation allowance to His Excellency the Governor and the members of the Executive Council ceased with effect from 1st September 1897 under the Government of India Financial, No 4182, Ex., dated 17th September 1897. His Excellency Lord Wenlock, preparatory to his departure, drew his salary for 15 days of March 1896 in that month; hence the short expenditure in 1896-97 under SALARY OF GOVERNOR. Under LEGISLATIVE COUNCIL the Budget was reduced in the Revised with reference to the salary actually drawn by the Assistant Secretary. The further decrease in the Actuals is due to the non-payment of 5 provided for member of the Legislative Council of India. The short expenditure compared with the Budget under CIVIL SECRETARIATS is due chiefly to reductions effected in the cost of *Other Establishments and Services* and to savings caused by the absence of the Chief Assistant in the Public Department on leave to Europe. The savings would have been greater but for the extra establishment entertained in the Revenue Department on account of famine work. Under *Tour Expenses* the excess took place in the charges for camp equipment of His Excellency the Governor adjusted at the close of the year. The increase under *Board of Revenue* is due partly to the salary of the Famine Commissioner and partly to the expenditure entailed by the grant of privilege leave to members. The decrease compared with the Revised is due to all the leave allowances not having been drawn as was contemplated before the expiry of the year.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

19-*A.*—*Law and Justice—Courts of Law.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
5,56	High Court	5,66	5,75	5,75
1,50	Law Officers	1,53	1,37	1,47
24,80	Civil and Sessions Courts	25,39	24,50	24,63
88	Court of Small Causes	95	91	94
11,72	Criminal Courts	11,58	11,94	11,96
53	Other Courts of Justice	52	52	52
4	Other Charges (Pleadership Examinations)	4	4	4
91	Refunds	1,00	92	94
45,94	Total ...	46,67	45,95	46,95
Extra charge due to { Famine		... ...	... ...	10
Extra charge due to { Plague		... ...	... ...	1
Savings under Exchange Compensation Allowance		... ...	... ...	28

58. The *excess* under HIGH COURT is made up of an increase of 15 in *Supplies and Services* chiefly on account of printing executed by the High Court on behalf of suitors, two in the *Establishment Charges* of the Registrar and two in *Contingencies* counterbalanced by a decrease of 10 in the salaries of Judges. The latter was due to the absence on leave without allowances of two of the Puisne Judges. The charges under LAW OFFICERS fluctuate according to the number of heavy suits undertaken on behalf of Government. Under CIVIL AND SESSIONS COURTS, there was a short expenditure of 44 in the salaries of District and Sessions Judges owing to the absence on leave out of India of a larger number of officers than was contemplated in the Budget. A saving of about 10 was effected by the discontinuance of the appointment of a Civilian Subordinate Judge. The remainder of the saving (22) occurred under Process-serving Establishment (11) and Contingent Charges (11). The Revised was exceeded under salaries of Munsifs (4), Contingencies (4) and Process-serving Establishment (4). The Revised Estimate under COURT OF SMALL CAUSES reckoned upon savings under Establishment with reference to the then available Actuals. But this did not occur. In 1896–97, the absence of the Chief Judge on leave out of India caused a saving under this head. The increase under CRIMINAL COURTS is due almost entirely to the extra cost entailed by Famine, most of the charges under this minor head being deduced from those under CHARGES FOR DISTRICT ADMINISTRATION subordinate to 3. LAND REVENUE. Refunds are fluctuating charges.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

19-*B.*—*Law and Justice—Jails.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
3,12	Jail Manufactures	3,60	3,10	2,95
7,53	Other Jail Charges	7,57	8,10	8,63
10,65	Total ...	11,17	11,20	11,58
Excess over Budget Grant		... ...	... ...	41
Excess sanctioned by Government		... ...	... ...	71
Extra charges due to Famine		... ...	... ...	1
Savings under Exchange Compensation Allowance		... ...	... ...	3

59. The Budget Estimate under JAIL MANUFACTURES was based principally upon the Actuals of 1895–96. But Manufacturing operations having fallen off in three of the Jails owing to the prevalence of cholera, the provision was reduced in the Revised, and the further fall compared with the Revised shows that manufactures did not revive in the latter months. The excess under OTHER JAIL CHARGES is almost entirely in *Dietary Charges* of District, Central and Subsidiary Jails. Owing to the continuance of the unfavourable season at the time of framing the Budget Estimates, Government, in view of the prevalence of scarcity rates in the price of food-grains, raised the provision for Diet proposed by the Inspector-General of Prisons. Notwithstanding the special addition, the provision was exceeded. The Budget and the Revised were also exceeded under *Petty Construction and Repairs* and in the *Charges for moving prisoners*. The Revised expected that the price of food-grains would decrease, but it continued to be high.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

20.—*Police.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
2,67	Presidency Police	2,70	2,58	2,71
1,69	Superintendence	1,58	1,65	1,69
39,06	District Executive Force ...	37,88	38,69	38,57
25	Government Railway Police ...	94	60	69
7	Village Police	7	7	7
14	Special Police	14	15	16
2,61	Cattle Pounds	2,84	2,65	2,65
1	Steam-boiler Inspection Establishment	9	8	8
46,48	Total ...	46,24	46,47	46,62
Excess over Budget Grant				38
Excess sanctioned by Government				46
Extra charge due to { Famine				44
Extra charge due to { Plague				1
Savings under Exchange Compensation Allowance				13

60. Under *Presidency Police*, the Budget was exceeded under Town and Suburban Police by 5 and under Mounted Police by 3. But these excesses were counterbalanced by a saving of 6 under Superintendence and of 1 under Hackney Carriage Establishment. The excess under Town and Suburban Police took place in the items "Clothing and Uniform" and "Travelling Allowances." The purchase and up-keep of a large number of horses led to the increase under "Mounted Police." On the other hand, the saving under "Superintendence" was due to the appointments of Commissioner and Deputy Commissioner having been held for a portion of the year by junior acting officers. The Revised Estimate reduced still further the provision in the Budget on account of clothing and travelling allowances of the Town and Suburban Police. The actuals of 1896–97 include privilege leave allowance of the Commissioner of Police. The increase under the second minor head *Superintendence* is made up partly of the extra cost entailed by the grant of privilege leave and partly of greater expenditure on contingencies. Deducting 48 and 44 included on account of famine for famine batta and additional temporary force from the Revised Estimate and Accounts, the figures against *District Executive Force* stand as follow for the year under review: Budget 37,88; Revised 38,21; Accounts 38,13. The excess over the Budget was mainly due to an increase in clothing, arms and accoutrements (16) and contingent charges (14), an excess of 23 under Travelling Allowances consequent chiefly on the famine being counterbalanced by a corresponding saving under Petty Works of Construction and Repair. There was also a saving of 5 under Salaries counterbalanced by an increase of 6 under Hospital Charges due also to famine. The Revised proved too much under Travelling Allowance and Petty Works of Construction and Repair by 17 and 13, respectively, and too little under Clothing, Arms and Accoutrements by 18. The Budget Estimate under *Government Railway Police* included 30 on account of the Railway Police scheme which, owing to financial pressure, was not introduced. The excess over the Revised is partly under the Madras and partly under the East Coast Railway. The Budget under *Cattle Pounds* is generally too high and was accordingly reduced in the Revised. The *Boiler Inspection* establishment was entertained only in the year under review. The amount booked in 1896–97 represents the arrears of pay of the late Inspector of Boilers.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

21.—*Marine.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
6	Marine Establishment	8	8	8
12	Salaries and Allowances of Officers and Men afloat	...	...	...
1,00	Other Charges	...	...	...
1,18	Total ...	8	8	8

61. The charges formerly shown against the several minor heads which represent the cost of maintenance of the Fishery vessels, "Margarita and Irene," were in the Budget of 1897–98 transferred to the major head 32. MISCELLANEOUS. The decrease in the accounts of 1896–97 under MARINE ESTABLISHMENT was due to the absence on leave out of India of the Agent for Government Consignments, whilst the large debit under OTHER CHARGES in that year represents a special item of expenditure from Provincial revenues. This amount was paid to the Madras Harbour Trust Board on account of its claim against the surplus of the Madras Port Fund which was lent to other ports.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

22.—*Education.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
56	Direction	57	61	61
2,85	Inspection	2,78	2,91	2,88
2,08	Government Colleges, General ...	2,08	2,22	2,16
1,81	Government Colleges, Professional.	1,76	1,76	1,92
1,51	Government Schools, General ...	1,45	1,53	1,49
2,28	Government Schools, Special ...	2,25	2,31	2,32
5,20	Grant-in-aid and payment by results.	5,34	5,06	5,56
28	Scholarships	30	33	38
18	Other Charges	99	17	15
16,75	Total ...	17,52	16,90	17,47
	Extra charge due to Famine			2
	Savings under Exchange Compensation Allowance			8

62. Exclusive of the grant of 80 for Students' Hostels included under OTHER CHARGES, and which lapsed in the year under review the Actuals exceeded the Budget and Revised by 75 and 57, respectively. The grant of three months' privilege leave to the Director is responsible for the increase under DIRECTION. The introduction of the schemes relating to the Indian and Provincial Educational Services and the grant of personal allowances to some of the officers in that connection account for much of the increase under INSPECTION and GOVERNMENT COLLEGES, GENERAL. Under Government Colleges, Professional, the increase was chiefly in consequence of the purchase of special furniture for the Law College. Under GOVERNMENT SCHOOLS, GENERAL AND SPECIAL, the Budget Estimates did not sufficiently provide for requirements. The excess under *Grant-in-aid and Payments by Results* occurred almost entirely in the item *Payments by Results* solely in the month of March. The increase under SCHOLARSHIPS was due to the institution of a few special scholarships in Technical Colleges and Schools. The decrease under OTHER CHARGES has already been explained.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

24.—*Medical.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
5,42	Medical Establishment	5,31	4,96	4,87
1,31	Sanitation and vaccination ...	1,13	1,12	1,16
1,81	Medical School and College ...	1,71	1,86	1,95
3,66	Government Hospitals and Dispensaries	3,61	3,75	3,75
88	Lunatic Asylum	89	82	87
4	Grants for Medical Purposes ...	4	22	23
21	Chemical Examiner	21	21	22
1	Refunds	1	1	...
13,34	Total ...	1,291	1,295	13,05
	Excess over Budget Grant			14
	Excess sanctioned by Government			18
	Extra charges due to Plague			12
	Saving under Exchange Compensation Allowance			13

63. Fluctuations under MEDICAL ESTABLISHMENT depend mainly upon the number of Senior Medical Officers on leave out of India or employed on military duty. During the year under review several such officers were absent and junior men were appointed to act. The Revised provided for the return to duty within the year of some of them, but, as the Actuals indicate, this expectation was not realized. Under SANITATION AND VACCINATION the Budget was exceeded by 3, chiefly in the item Cost of Europe Stores for the Sanitary Department. Under MEDICAL SCHOOL AND COLLEGE the Budget took credit for too large a saving under Salaries. This and a large expenditure on supplies and services and contingencies, chiefly in the *purchase of instruments and chemicals* and *Europe stores*, account for the excess under it. Under HOSPITALS AND DISPENSARIES, there is an increase of 14 over the Budget almost entirely under Mofussil Hospitals and Dispensaries, due to larger expenditure on account of medicines supplied by the Military Department (8), Civil Medical pupils (3), and Travelling allowances (3). The Budget under LUNATIC ASYLUM was reduced in the Revised chiefly with reference to a fall in the then available Actuals under 'Diet'; but the expenditure in the closing months rose disproportionately. The Budget provided too much under 'Bedding and Clothing' by 2. The excess under GRANTS FOR MEDICAL PURPOSES represents the expenditure incurred on Plague preventive measures.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

25.—*Political.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
82	Political Agents	82	85	85
Excess over Budget grant				3
Excess sanctioned by Government				9
Savings under Exchange Compensation Allowance				1

64. The excess under POLITICAL AGENTS is consequent on the grant of privilege leave to the Resident of Travancore and would have been much more but for the appointment of Consular Agent at Karikal and Pondicherry (a moiety of whose salary is transferred to the debit of this head from 26. SCIENTIFIC AND OTHER MINOR DEPARTMENTS) carrying a smaller salary than before, being held by a Captain of the army.

EXPENDITURE.

SECTION D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS—continued.

26.—*Scientific and Other Minor Departments.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	PROVINCIAL.			
	Scientific.			
1	Exploration of Petroleum, Coal and Minerals	3	2	3
26	Archæological Department ...	31	26	26
35	Provincial Museum	39	27	30
20	Public Observatories	20	24	35
	Agriculture.			
...	Experimental Cultivation	1	...	1
82	Cinchona Plantations	85	97	97
2	Public Exhibitions and Fairs ...	2	2	1
32	Veterinary and Stallion Charges ...	29	23	25
32	Botanical and other Public Gardens.	35	31	30
	Labour and Emigration.			
1	Inland Labour Transport	1	1	1
16	Emigration	18	12	12
4	Inspector of Factories	4	6	6
	Statistics.			
...	Registration of Railway traffic ...	...	6	...
47	Provincial Statistics	49	40	46
	Miscellaneous.			
1,18	Examinations	1,11	1,18	1,12
2	Inspector of Explosives	1	1	1
1	Refunds	1	1	1
4,19	Total ...	4,30	4,17	4,27
Saving under Exchange Compensation Allowance				4

65. The short expenditure compared with the Budget under ARCHÆOLOGICAL DEPARTMENT is spread over several items in small amounts, but is due chiefly to the non-utilization of 3 provided for revision of establishment of the Archæological Survey. The absence on leave out of India of the Superintendent has mainly contributed to the decrease under MUSEUM. The Revised over-estimated the saving on this account and the expenditure for contingencies by 1 each. The excess under Public Observatories represents the cost of Europe stores (12) supplied to the Kodaikánal Observatory not anticipated in the Estimates. The Budget was raised in the Revised chiefly on account of the provision of 4 added in connection with the charges for observation of the eclipse of the sun. The charges actually booked amount to 3 only. Under CINCHONA PLANTATIONS a saving of 10 was effected by the abolition of the appointment of Quinologist and the reduction in the pay of the present Director. But this saving under *Salaries* was more than counterbalanced by increased expenditure under *Supplies and Services* by the purchase of bark from private growers and an additional consignment of fusil oil. The short expenditure on Pony and Mule breeding charges and the employment of 4 Stock Inspectors on Famine duty are chiefly responsible for the decrease under VETERINARY AND STALLION CHARGES. The decrease under *Botanical and other Public Gardens* is spread over several items under supplies and services and contingencies, but is mainly under 'cost of supplying seeds to other departments.' The short expenditure under EMIGRATION is due, as remarked under 25. POLITICAL, to the post of British Consular Agent being now held only by a Captain of the army, whose pay is much less than that of the former incumbent on whose salary the Budget was framed. The Actuals on account of Registration of Railway traffic are included under *Provincial statistics*. With reference to the then available Actuals the Budget was raised in the Revised under Examinations to provide for larger expenditure on *Government Examinations*, but the expectation was not realized.

EXPENDITURE.

SECTION E.—MISCELLANEOUS--EXPENDITURE.

29.—*Superannuation Allowances and Pensions.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
15,25	Superannuation and Retired Allowances	15,92	15,54	15,46
27	Compassionate Allowances ...	25	25	25
13	Gratuities	15	18	18
...	Refunds	...	1	1
15,65	Total ...	16,32	15,98	15,90

66. The Budget Estimate under SUPERANNUATION AND RETIRED ALLOWANCES did not sufficiently provide for savings by lapses by death and by transfers of pensions to other Provinces.

30.—*Stationery and Printing.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
29	Stationery Office at the Presidency.	30	31	30
12	Stationery purchased in the Country.	18	11	11
3,09	Government Presses	3,07	3,06	3,08
5,42	Stationery supplied from Central Stores	5,00	5,40	6,43
42	Printing at private presses ...	76	47	43
...	Refunds	1	1	2
9,34	Total ...	9,32	9,36	10,37
	Excess over Budget Grant			1,05
	Excess sanctioned by Government			44
	Excess awaiting sanction of Government			61
	Savings under Exchange Compensation Allowance			1

67. The Budget under STATIONERY PURCHASED IN THE COUNTRY was reduced in the Revised on account of a decrease in the purchases by the Educational Department. Under STATIONERY SUPPLIED FROM CENTRAL STORES, the Budget, as well as the Revised Estimate, was based upon a three years' average. The Superintendent of Stationery explains that the large excess over his Revised Estimate could not be foreseen in time to obtain the necessary re-appropriation of funds. He attributes the excess principally to the following causes:—

(1) Completion of indents for the previous year;
(2) Supply of special water-marked paper for plaints to the Superintendent of Stamps under special orders of Government;
(3) Compliance with supplemental indents for the year necessitated chiefly by Famine and Plague;
(4) Larger supplies of type-writers; and
(5) The compliance more fully than in previous years with indents for 1898-99 before the close of the year under review.

68. The short expenditure under PRINTING AT PRIVATE PRESSES is in the charges for printing Settlement Registers and the printing charges of Courts of Justice. For printing Settlement Registers a special provision was made in the Budget, but the scheme was not carried out.

EXPENDITURE.

SECTION E.—MISCELLANEOUS—EXPENDITURE.

32.—*Miscellaneous.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
5	Allowances and Rewards	9	5	5
55	Charitable Donations	56	58	56
24	Rewards for the Destruction of Wild Animals	24	24	20
19	Petty Establishments	20	20	19
3	Charges on account of Pearl-fishery.	7	6	6
...	Charges on account of Fishery Collections	16	14	28
1	Special Commission of Enquiry ...	2	...	...
5	Irrecoverable Loans written off ...	1	5	2
8	Rents, Rates and Taxes	9	8	8
24	Other Items	32	24	27
1,44	Total ...	1,76	1,64	1,71

69. The short expenditure compared with the Budget under ALLOWANCES AND REWARDS is in the item REWARDS FOR PROFICIENCY IN ORIENTAL LANGUAGES, which is generally overestimated. The Estimates and the Accounts of the year under review include for the first time charges for CHANK FISHERIES transferred from 3. LAND REVENUE and charges for the *Maintenance of the Fishery Vessels 'Margarita* and *Irene,'* transferred from 21. MARINE. The charges on account of the *Margarita* exceeded expectation by about 14. As usual the Budget provided 2 for expenditure under SPECIAL COMMISSION OF ENQUIRY, but no such charges were incurred. The Budget under OTHER ITEMS while not providing for Jubilee Celebration charges (1), provided too much for cost of Books and Publications (6) and Miscellaneous and Unforeseen charges (2). The remaining difference under this minor head is scattered in small amounts.

EXPENDITURE.

SECTION F.—FAMINE RELIEF.

33.—*Famine Relief.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Shared.			
8	Salaries and Establishment ...	1,02	1,71	1,84
92	Relief Works in charge of Civil Officers	2,21	1,33	1,17
1,03	Relief to people employed otherwise than on Relief Works ...	3,37	10,33	8,22
20	Gratuitous Relief	2,93	13,53	13,55
9	Miscellaneous	10	6	5
			26,96	
...	Deduct Net recoveries	...	96	...
2,32	Total ...	9,63	26,00	24,83
...	Imperial	1,93	4,38	6,58
1,40	Provincial	2,70	16,62	13,25
92	Local	5,00	5,00	5,00
Excess over Budget Grant	Imperial			4,65
	Provincial			10,55
Excess sanctioned by Imperial Government				19,37

70. The Budget Estimate under this head was not based upon any reliable data owing to the uncertainty of the season and could not therefore represent a correct programme of expenditure. The season, however, proved much more unfavourable than at the onset, and it was not before the beginning of January 1898 that the effects of Famine ceased to be severely felt. To cover the excess expenditure in the Civil and the Public Works Departments additional allotments of 14,96 and 50,00 were sanctioned by the Government of India in its letters Nos. 3219-A, dated 27th July 1897, and 4184-A, dated 18th September 1897. No formal sanction of the Government of India was accorded to the application from the Madras Government to a further additional allotment of 8,00 pending full explanation of the circumstances necessitating it. But expenditure still continued to be incurred, as the Government of India observed that the absence of grant was not to prevent expenditure being incurred in the meanwhile. On a further application from the Madras Government, the Government of India, however, wired sanction to a further additional allotment of 75 for expenditure during the last three months of the year. Thus the total grant formally sanctioned by the Government of India for both the Civil and the Public Works Departments is 85,75 only. The excess here entered as sanctioned by the Government of India is taken from the allocation as between the Civil and the Public Works Department sanctioned by the Madras Government in G.O., No. 920, Financial, dated 11th November 1897, and G.O., No. 301, Financial, dated 23rd March 1898. The additional grants sanctioned for the Civil Department proved too much, as they did not take into consideration the recoverable expenditure.

EXPENDITURE.

SECTION J.—IRRIGATION.

43.—*Irrigation—Minor Works and Navigation.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Provincial.			
4,07	In charge of Revenue Department—Maintenance and upkeep of Minor Irrigation Works ...	4,50	3,22	3,67

71. The Budget Estimate included provision for increased establishments. As the Actuals of the first 8 months were 60 short of the corresponding outlay in the previous year, the Revised was placed at 1,28 less than the Budget. The short expenditure was mainly due to the Famine. The excess over the Revised took place entirely in the month of March in which the outlay amounted to about 1,07 against 85 in the corresponding month of the previous year. The outlay in 1896-97 is the highest on record.

SECTION K.—BUILDINGS AND ROADS.

45.—*Civil Works.*

A. Accounts. 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Public Works in charge of Civil Officers.			
7,97	Provincial	5,09	3,27	3,45

72. The short expenditure compared with the Budget was as follows:—

Civil Buildings	66
Communications	22
Miscellaneous Public Improvements	76
Total ...	1,64

73. Under *Civil Buildings* the Budget provided 1,08 for the construction of the Cellular Jail at Mount Capper (South Arcot district), whereas the expenditure actually incurred was 43 only. The saving under *Communications* is nominal to the extent of 10; for, this amount, which represents the contribution paid by Government in 1896-97 to the Vániyambádi Municipality (Salem district) towards the construction of a bridge was refunded in the year under review, and deducted from charges. The remainder of the saving took place in the grants for the Agency tracts in Vizagapatam and Gódávari. Under *Miscellaneous Public Improvements* the grants sanctioned by Government to Municipalities in aid of water-supply and drainage projects were not fully utilized. As usual the Budget and the Revised repeated the figures accepted by the Local Government. The Revised, however, proved too low.

ADJUSTING HEADS.

Revenue.				Madras.	Expenditure.			
Accounts. 1896-97.	1897-98. Budget.	1897-98. Revenue.	1897-98. Accounts.		Accounts. 1896-97.	1897-98. Budget.	1897-98. Revenue.	1897-98. Accounts.
				Provincial.				
2,71	3,07	3,03	3,04	Transfers from and to Local.	5,11	3,11	2,92	2,95

74. The large contribution from Provincial to Local in 1896-97 was due to grants made from Provincial Funds to cover deficits due chiefly to Famine of the District Boards of Anantapur, Bellary, Cuddapah and Kurnool. In the year under review the expenditure of Famine was, in the first instance, met from Imperial and Provincial Funds, and Local Funds made to bear a portion of it, viz., 5 lakhs as entered under 33. *Famine Relief.*

LOANS AND ADVANCES.

—	1897-98. Budget. Amount advanced.	Budget. Amount repaid.	Revised. Amount advanced.	Revised. Amount repaid.	Accounts. Amount advanced.	Accounts. Amount repaid.
Loans to Mofussil Municipalities ...	1,50	29	1,27	44	1,15	48
Loans to District and other Local Fund Committees	...	20	...	20	...	20
Loans to Landholders and other Notabilities	...	3	...	3	...	3
Advances to Cultivators	2,50	2,75	18,32	2,80	17,85	2,78
	4,00	3,27	19,59	3,47	19,00	3,49
Net ...	— 73		— 16,12		— 15,51	

75. The Budget Estimate under *Loans to Mofussil Municipalities—Advances*, which was reduced by the Government of India from 5,86, proposed by the Madras Government, to 1,50, the figure entered above, was subsequently redistributed by the Madras Government according to actual requirements, whereby a short expenditure of 23 was arrived at. Even out of the reduced forecast, about 11 provided for the Dindigul Municipality was not drawn. The increase in the recoveries is due to the refund under orders of Government of the contribution of 14 made to the Vániyambádi Municipality and the repayment of 4 by the Cocanada Municipality. The latter was not included in the Revised. The large advances in excess of the Budget under Advances to Cultivators were rendered necessary by the unfavourable character of the season during the greater portion of the year under review. These were not anticipated at the time the Budget was passed, nor was the excess fully covered by additional grants sanctioned by the Government of India. The excess so covered is 3,39 only.

EXCHANGE COMPENSATION ALLOWANCE.

1896-97. Accounts.	Major Heads.	1897-98. Budget.	1897-98. Revised.	1897-98. Accounts.
	Provincial.			
1,11	3. Land Revenue	93	83	79
5	5. Salt	4	3	3
2	7. Excise	2	2	2
3	9. Customs	3	3	3
16	11. Forest	14	12	12
40	18. General Administration	36	27	27
1,14	19-A. Law and Justice—Courts of Law	1,08	82	80
9	19-B. Law and Justice—Jails	8	5	5
50	20. Police	50	38	37
1	21. Marine	1	1	...
27	22. Education	29	21	21
54	24. Medical	50	34	37
6	25. Political	5	4	4
7	26. Scientific and other minor Departments	7	3	3
3	30. Stationery and Printing	3	2	2
4,48	Total ...	4,13	3,20	3,15

76. Fluctuations depend upon the rates sanctioned for each year. The average of the rates sanctioned for each of the four quarters of the year under review was less than the uniform rate adopted in the Budget Estimate and the average of the rates that ruled in the previous year. Moreover, during the year under review, a less number of officers than in the previous years was eligible to Exchange Compensation Allowance under the revised rules.

The following table exhibits the figures of the Actuals for 1897-98 on

Revenue.	Current Contract.		Budget Estimate, 1897-98.		Actuals, 1897-98.	
I. Land Revenue	1,51,04		{1,50,92 / —1,10}		1,50,28	
III. Salt	1,27		1,27		82	
IV. Stamps	59,75		59,85		63,15	
V. Excise	37,20		38,25		36,55	
VII. Customs	73		73		70	
VIII. Assessed Taxes	12,00		12,00		12,37	
IX. Forest	10,25		11,87		10,68	
X. Registration	6,00		6,20		7,65	
		2,78,24		2,79,99		2,82,20
XII. Interest	...	1,48	...	1,80	...	1,73
XVI-A.—Courts of Law	7,40		7,00		8,04	
XVI-B.—Jails	4,26		4,81		4,50	
XVII. Police	4,41		4,41		4,38	
XIX. Education	1,93		2,03		1,80	
XX. Medical	1,22		1,31		1,28	
XXI. Scientific and Other Minor Departments	2,13		2,35		2,28	
		21,35		21,91		22,28
XXII. Superannuation	47		55		53	
XXIII. Stationery and Printing	1,38		1,41		1,13	
XXV. Miscellaneous	1,54		1,88		2,02	
		3,39		3,84		3,68
XXVI. State Railways		2,71		2,70		2,58
XXX. Minor Works and Navigation		1,86		1,77		1,83
XXXII. Civil Works		1,58		1,76		1,92
Contributions between Provincial and Local (net)		...		...		9
Total ...		3,10,61		3,13,77		3,16,31

Current Contract, the Budget Estimate and account of Provincial Services.

Expenditure.	Current Contract.		Budget Estimate, 1897-98.		Actuals, 1897-98.	
1. Refunds and Drawbacks	1,22		1,18		1,32	
3. Land Revenue	48,40		51,35		54,61	
5. Salt	5,49		5,45		3,94	
6. Stamps	2,70		2,61		2,57	
7. Excise	1,57		1,57		2,48	
9. Customs	2,46		2,45		2,35	
10. Assessed Taxes	14		13		14	
11. Forest	7,75		8,62		7,86	
12. Registration	4,20		4,30		4,15	
		73,93		77,66		79,42
13. Interest	...	1,50	...	1,53	...	1,86
15. Post Office	...	1,02	...	1,07	...	1,07
18. General Administration	9,93		10,11		10,07	
19-A.—Courts of Law	46,92		46,67		46,25	
19-B.—Jails	10,51		11,17		11,58	
20. Police	46,04		46,24		46,62	
21. Marine	40		8		8	
22. Education	16,79		17,52		17,47	
24. Medical	13,07		12,91		13,05	
25. Political	84		82		85	
26. Scientific and Other Minor Departments...	4,20		4,30		4,27	
		1,48,70		1,49,82		1,50,24
29. Superannuation, &c.	15,52		16,32		15,90	
30. Stationery and Printing	9,00		9,32		10,37	
32. Miscellaneous	1,52		1,76		1,71	
		26,04		27,40		27,98
38. State Railways—Working Expenses ...		1,68		1,70		1,50
43. Minor Works and Navigation		33,45		33,45		32,24
45. Civil Works		22,00		23,50		21,43
Contributions between Provincial and Local (net)		79		4		...
Lump addition		1,50		...		...
Total ...		3,10,61		(a) 3,16,17		(b) 3,15,74

(a) Excluding 13,11 on account of Famine Relief and 34 for Construction of Railways.
(b) Excluding 13,25 on account of Famine Relief and 27 for Construction of Railways.

APPENDIX E.

PUBLIC WORKS—RECEIPTS.

RAILWAYS.

XXVI.—State Railways—Gross Traffic Receipts.

A. Accounts, 1896-97.	Minor Head or other Division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Earnings of the Mayavaram-Mutupet Railway.			
1,91	Coaching	2,00	1,80	1,82
64	Goods	68	68	74
1	Electric Telegraph	1	1	1
1	Steam Boat and Sundries	1	1	1
2,57	Total ...	2,70	2,50	2,58

The difference between the actuals and the budget and revised estimates is small and requires no special explanation.

IRRIGATION.

XXX.—Minor Works and Navigation.

A. Accounts, 1896-97.	Minor Head or other Sub-division.	1897-98. B. Budget.	C. Revised.	D. Accounts.
	Works for which Capital and Revenue Accounts are kept.			
20	Madras Water-supply and Irrigation Extension	13	18	17
1,15	Buckingham Canal	1,11	1,14	99
7	Other works	6	7	8
1,42		1,30	1,39	1,24
9	Works for which Capital and Revenue Accounts are not kept ...	10	9	7
24	Agricultural Works	25	24	43
1,75	Total ...	1,65	1,72	1,74

The revised estimate was fixed at 7 more than the budget, as the collections from the water-supply to the Madras City and the navigation receipts of the Buckingham Canal were expected to be much more than the budget estimates. Compared with the actuals of 1896-97 the results on the total are nearly equal.

BUILDINGS AND ROADS.

XXXII.—Civil Works.

A. Accounts, 1896–97.	Minor Head or other Sub-division.	1897–98. B. Budget.	C. Revised.	D. Accounts.
66	Rent of Buildings	70	72	70
12	Sales of — Buildings	15	12	5
52	Sales of — Tools and Plant ...	25	42	34
2	Sales of — Produce	1	2	2
4	Sales of — Old Materials ...	5	6	11
1	Value of Materials received from Old Buildings	1	1	1
3	Workshops Receipts	3	3	3
2	Unclaimed Deposits	1	1	...
51	Fines, Refunds and Other Miscellaneous Receipts	46	51	62
1,93	Total ...	1,67	1,90	1,88

The revised estimate was fixed at 1,90 in consideration of the progress of Revenue receipts during the first nine months and the actuals of the previous year.

The decrease of 5 in the actuals of the current year as compared with actuals for 1896–97 is the net result of small fluctuations under all sub-heads, the chief of which is under the head realization by sales of tools and plant.

PUBLIC WORKS—EXPENDITURE.

RAILWAYS.

37. Construction of Railways.

A. Outlay up to the end of 1896–97.	Minor Head or other Division.	1897–98. B. Budget.	C. Revised.	D. Accounts.
	Mayavaram-Mutupet Railway.			
16	Preliminary Expenses	...	...	...
1,80	Land	...	1	...
2,40	Formation	...	4	3
8,53	Bridgework	...	10	7
30	Fencing	...	...	...
3	Electric Telegraph	...	...	...
6,70	Ballast and Permanent-way ...	6	2	2
1,90	Stations and Buildings	27	32	29
13	Plant	1	1	1
2,74	General Charges (Engineering, &c.)	...	...	...
...	Suspense Accounts	...	...	...
24,69	Total ...	34	28	28

The lapse of 6 on the budget estimate is due to credits for sales of returned stores and to the anticipated expenditure on a trial station not having been incurred owing to sanction to the work not having been obtained during the year.

RAILWAYS.

38. State Railways—Working Expenses.

A. Accounts, 1896–97.	Minor Head or other Sub-division.	1897–98. B. Budget.	C. Revised.	D. Accounts.
	Mayavaram-Mutupet Railway.			
32	Maintenance of Way, Works and Stations	35	29	30
50	Locomotive Expenses	57	49	49
14	Carriage and Wagon Expenses ...	19	15	15
23	Traffic Expenses	25	24	23
18	General Charges	19	18	18
15	Miscellaneous	15	15	15
1,52	Total ...	1,70	1,50	1,50

This line is worked by the South Indian Railway and is debited with a share of working expenses based on a percentage of earnings, and the lapse (20) on the budget estimate is due to large savings, due to various causes on the general estimate of expenses of the South Indian Railway undertakings.

IRRIGATION.

43. Minor Works and Navigation.

A. Accounts, 1896–97.	Minor Head or other Sub-division.	1897–98. B. Budget.	C. Revised.	D. Accounts.
	Works for which Capital and Revenue Accounts are kept.			
7,16	Capital	4,04	4,44	4,64
3,39	Revenue	2,80	2,77	2,73
18,65	Works for which Capital and Revenue Accounts are not kept ...	16,46	15,49	15,61
9,12	Agricultural Works	5,65	6,01	5,74
38,32	Total ...	28,95	28,71	28,72
	Abstract of the above.			
10,18	Works	6,55	7,68	7,55
18,32	Repairs	14,72	13,38	12,81
8,97	Establishment	7,38	7,43	8,13
86	Tools and Plant	30	22	23
1	Refunds	...	...	...
—2	Receipts on Capital Account ...	...	...	...
38,32	Total ...	28,95	28,71	28,72

Capital.—The revised estimate exceeded the budget estimate by 40 owing chiefly to the additional allotments made for the Shatiatope Anicut, Ganjam Minor river system and the Sangam Anicut. The short outlay of 2,52 in 1897–98 is chiefly due to the Buckingham Canal construction estimate having been closed in 1896–97.

Revenue.—Owing to restrictive orders, outlay in 1897–98 fell short of the previous year by 66.

Are not kept.—For the above reason the revised estimate and the actuals of 1897–98 also fell short of the budget estimate and the actuals of 1896–97 respectively.

Agricultural.—The revised estimate exceeded the budget estimate by 36 owing to enhancement of provision for this class of work in the Tanjore and Trichinopoly districts.

The outlay in 1897–98 was 3,38 less than that of the previous year, as in the former year no such extensive flood drainage repairs were undertaken as those that had been carried out in 1896–97.

BUILDINGS AND ROADS.

45. Civil Works.

A. Accounts, 1896–97.	Minor Head or other Sub-division.	1897–98. B. Budget.	C. Revised.	D. Accounts.
13,46	Original Works	7,31	7,23	7,34
4,58	Repairs	3,15	3,05	3,07
4,98	Establishment	6,78	5,55	5,17
1,28	Tools and Plant	1,17	1,51	1,76
— 6	Stock and Suspense	...	— 64	45
24,24	Total ...	18,41	16,70	17,79

The reduction in the revised estimate as well as in actuals for 1897–98 compared with the budget estimate and actuals of the previous year respectively is due to the general restriction of expenditure under Provincial to meet the demands for famine-relief works.

[F. 23 1,000 [illegible]-98.

Financial (1898) Department.

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4 heads

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Forwarding statements showing the Receipts and Expenditure under Provincial Public Works heads during 1897-98

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71-71A:31-1-96 "			

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G.O.	No.	Department.	Date.

Urgent

No. 69C

Government of Madras,

Public Works DEPARTMENT.

MEMORANDUM.

Dated Madras, 4 Janry: 1899.

With reference to para 4 of G.O. No. 71, Financial, dated 31st January 1896, the Examiners of Public Works and Railway Accounts submit statements showing the Receipts and Expenditure under Provincial Public Works heads during 1897-98. The statements have been put in type and are forwarded to the Financial Department.

A. Russell.

Under Secretary to Govt.

To

The Financial Department with statements in duplicate.

[P. W. 41. 1,000—1-11-98.]

Encd

[illegal] 12-98.

V.E. C. 1-2-99 R 4-2-99 V.E.

For Press Slow prog. Fin 6/2/99 B.C. issue Chit V.E. Check [illegal] and [illegal] issue Chit and copy to Contractor file sent to C.S. Cont 9.2.99

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G.O. No 670-71, Fin., dy 5-8-98 (P) D
" 1078-79 " dy 19-11-98 (P) B
" 41 " dy 5-1-99 (P) C

Recd 14/2/99 A.G.

C. No. 3674 From the Accountant General, No. , dated 30/11 1898 (C)
" 3809 " " do , " 9.B.E. 343 , " 17/12 1898 (A)
" 49 " " P. W. D. , " 69C , " 4/1 1899 (B)
" " " , " " 189

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H.M.

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P.S.

AA 6.2.99.

Thus. Mason 8/2/99 Cont. 10.2.99 Accts. Fin. 21/2/99

Mis. appropriation reports 1896-97 & 1897-98 Parcel received from the Accountant-General & Public Works Department

This is a very controversial Ed. I should be glad if the First Asst. Mr. Schmidt can be spared to come & go over it with me — say Monday morning at 8.30 a.m.

AA 2.2.99

Mr. Schmidt will please see the H.M. and [illegal] 4/2/99

The final accounts and the appropriation reports of Provincial funds for 1897-98, as received from the Accountant-General and the Public Works Department, are printed as appendices to these proceedings.

2. In his appropriation report the Accountant-General has undertaken a comparison between the actuals of 1897-98 and the amounts of revenues and expenditure assigned to the Madras Presidency in the Provincial Contract of 1897. He calculates that the total Provincial revenues in 1897-98, taking Contributions between Provincial and Local net amounted to 316.31 lakhs or 5.70 lakhs better than the contract figures, whilst the charges, exclusive of the portion

of

of famine charges debitable to Provincial and outlay on Construction of Railways, were only 5.15 lakhs (or 5.11 lakhs based on later figures) higher than the Contract figures. He is of opinion that this comparison is not on the whole materially affected by the occurrence of famine, as the Provincial share of Land Revenue was, in that account, taken at a fixed amount, and any extra charges under ordinary service heads have been, to some extent, compensated by savings due to exchange compensation allowance. The Govt. is unable to accept either the Accountant-General's conclusion or his method of arriving at the same. In the first place, it is observed that ~~any comparison between the actuals of 1897-98 and the figures for the current contract~~ is considerably vitiated ~~fact~~ by the fact ~~which are clearly brought out~~ in that portion of ~~the Accountant-General's~~ appropriation report which relates to this comparison, ~~namely, that both the revenues and expenditure were affected by famine. For instance,~~ on the receipts side large increases of 5.40 lakhs under STAMPS and of 1.65 lakhs under REGISTRATION and a decrease of .65 lakh under EXCISE are stated to have been caused by the prevalence of distress (para.7 of the Reappropriation report); ~~whilst~~ on the expenditure side, increases of 8.21 lakhs under LAND REVENUE (para.15 ibid), of .56 lakhs

lakhs under IRRIGATION (para.16 ibid) of 1.07 lakhs under JAILS (para.17 ibid) and short outlay under IRRIGATION and BUILDINGS and ROADS (para.20 ibid) ~~are~~ attributed to the same cause. There are few expenditure which were not ~~af~~ in a measure affected. It has further to be remembered that the existence of famine necessitated the imposition of a general restriction upon expenditure and the postponement of very necessary schemes of reorganization, such as the Railway Police Scheme (para.60 of the Appropriation report). The savings under exchange compensation allowance against increased expenditure and items for which no allowance was made in the contract are, moreover, opposed to the principles upon which Provincial contracts are settled. It is not from savings in expenditure, but from increased revenues, that local Governments are expected to meet expenditure in excess of the figures fixed for each major head at the settlement, and it is obvious, that, whether included in the contract or not, every item of Provincial expenditure must affect the financial position of Govt. If savings under expenditure are to be so treated, abnormal receipts - e.g. .18 under LAW and JUSTICE - Courts of Law representing

the

the sale proceeds of unclaimed property seized from a swindler (paras.9 & 33 of the Appropn.report) - and abnormal charges - e.g. the large refunds on account of Land Revenue erroneously credited in 1896-97 in the districts of Kistna, Malabar, Godavari and Chingleput (para.44 of the Appropriation report) and the expenditure on Plague preventive measures (para.65 ibid) - should also be taken into account. It is clear that no useful purpose can be served by the comparison undertaken by the Accountant-General, since 1897-98 the year transactions of which were abnormal and was materially affected, on both sides of the account, by the distress which prevailed. Such a comparison could only be of any value if the disturbing factors could be eliminated estimated, but these entered into almost every head of revenue and of expenditure and in a degree which it is impossible to guage.

3. Appendix C explains the variations between the preliminary and the final accounts, the principal of which are the following:-

+ .25 lakh under XVI B LAW AND JUSTICE - JAILS, on account of Jail supplies to the Military Department;

+ .77 lakh under 50 STATIONERY AND PRINTING on account of stationery supplied to departments;

+2.51 lakhs under 55 FAMINE RELIEF due to the unrecovered balance of the contribution of 5 lakhs directed to be recovered from Local Funds by the Govt. of India in its letter No. 3055 A, dated 18th July 1898.

G.O. No. 1220, Fin. dy 13-12-98. E

-.24 lakh under 45.Minor Works and Navigation. } In charge of P.W.D
-.18 ,, ,, 45 Civil Works }

owing to revised figures subsequently furnished by the Examiner;

-3.82 lakhs in the closing balance, representing the amount remaining to be recovered from Local boards out of the contribution of five lakhs referred to above.

Cmb. 27.IV.

31/4.

To
The Depts. of the Sect.
,, Accountant-General.

Editors' Tables.
↓
For Orders.
↑
Members of the Legislative Council

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